



United States
CONSUMER PRODUCT SAFETY COMMISSION
Washington, D.C. 20207

Office of the Executive Director

MEMORANDUM

DATE: April 4, 1997

TO : The Commission

Through: Sadye E. Dunn, Secretary
Jeffrey Bromme, General Counsel

FROM : Pamela Gilbert PG
Executive Director

SUBJECT: 1997 Midyear Review

This memorandum presents a status report on the use of Commission resources and the progress of planned projects in the first half of fiscal year 1997. This memo also presents staff proposals for adjustments in CPSC's operating plan for the second half of the year.

Resource Status

Agency spending in total through the first half of the fiscal year was 49% of the annual plan. Because of lower than planned employment and savings in other areas, we have about \$645,000 available for possible reallocation.

Current recruitment actions will bring us close to the 480 FTE target before the end of the year. Assuming we staff up to the 480 level by the end of April, we project using about 470 FTEs for the year, about the same level as in 1996. While not achieving full staffing, we have made gains by adding staff in several critical areas, most notably compliance, engineering, and epidemiology. So far, through careful planning and a *tremendous effort by staff*, there have been no substantial project delays because of vacancies.

Attachment A contains a summary of our resource status.

Project Status

We have reviewed agency projects in terms of progress to date, Commission direction, new information, and opportunities to advance safety initiatives. Program managers report all projects are on schedule.

There are only two project changes. Under the Hazard Assessment and Reduction program, staff proposes new projects on multi-purpose lighters and the

CPSA 6 (b)(1) Cleared

4/4/97
No Mfrs/PrvtLbrs or

Products Identified

Excepted by

Exempt Notified

NOTE: This document has not been
reviewed or accepted by the Commission.

Initial PG Date 4/4/97

evaluation of the cigarette lighter standard. Both projects begin work on efforts included in the Commission's 1998 budget request to Congress.

The multi-purpose lighter project proposal is in response to the Commission decision to grant a petition and to publish an Advanced Notice of Proposed Rulemaking (ANPR) to require these lighters to be child-resistant. Work proposed includes developing and funding a contract to test the child resistance of five different multi-purpose lighter designs currently on the market. We need this baseline information to assess whether to proceed with the promulgation of a regulation. This effort requires new contract funding of \$75,000. Required staff time of about one to two staff months is available from other fire efforts, such as fireworks and bedding fires. In 1998, following the completion of this testing and the analysis of comments to the ANPR, the staff will prepare a briefing package for Commission consideration.

The work proposed for the evaluation of the cigarette lighter standard involves developing the data collection plan and informing fire departments of the need to report incidents. We request funds of \$3,000. Again, required staff time of about one to two staff months is available from other fire efforts, such as fireworks and bedding fires. In 1998, following recruitment of the fire departments, the staff will collect fire data to allow an accurate analysis of effectiveness of the standard.

In the Compliance program, seven products have been identified for conformance monitoring in the second half of the fiscal year under the Voluntary Standards Conformance Monitoring effort. The staff is submitting plans to the Commission for review and approval. In other Compliance areas, the Special Investigations Unit initiative continues to contribute to Section 15 success. The No Preliminary Determination program under Section 15 has proven successful and the Commission recently made the program permanent. Under Regulated Products, staff issued all field compliance programs and work is proceeding on schedule.

I can report good progress on co-locating the Health Sciences Laboratory at the Engineering Sciences Laboratory site. Construction is well under way and GSA assures us that the Health Sciences Laboratory will be operational at the new site by June 1. We are striving to minimize the disruption the move may cause to the work of the Health Sciences Laboratory. Staff has invested a great deal of hard work and I applaud their effort to make the co-location successful.

Finally, I want to report that we are making good progress in meeting our database programming needs within the limited funds available. Program managers and staff identified database needs and negotiated priorities in the Fall. Work is now following a detailed plan. We will provide a separate report on these programming requests and our progress.

New Funding Proposals

The highest priority, as suggested by the Commissioners at the initial 1997 operating plan meeting last October, is the reinstatement of a modest staff performance awards program. I believe it is important to recognize outstanding staff performance, especially because staff has been working hard to make up for vacancies. I think we all agree that the staff is our most important asset. Because of this importance but mindful of our budget constraints and programmatic priorities, I recommend that we allocate \$150,000 for performance awards. The funds proposed are half the size of the program in place before the 1996 budget cuts and represent about one-half a percent of our total compensation cost. This \$150,000 is funded from earlier compensation savings and is separate from the \$645,000 now available for new funding proposals.

Staff has suggested almost \$2 million in new funding proposals designed to advance safety initiatives or otherwise improve agency operations. However, as we only have \$645,000 in available funds (after funding awards), difficult choices are necessary. After review with staff, I propose the following priority ranking of new funding proposals.

Information technology must be a priority. The ability of staff to process information quickly and thoroughly is critical to our success. Our goal is to selectively integrate our internal databases, link up with outside data sources containing vital safety data, have more Commission materials available electronically, and allow our analysts and investigators to quickly process this data. We have benefitted from past investments to bring us the present infrastructure. However, our present information processing infrastructure is falling behind technological advances and we cannot make the planned integrated database enhancements until the current system is upgraded. In addition, the agency must meet new requirements to place Commission information on the Internet as mandated by the recent amendments to the Freedom of Information Act (FOIA).

Our present infrastructure is five years old (a long time for this technology), and therefore is insufficient to handle the more advanced and productive information-processing demands of integrated databases. Thus, we have identified improvements totalling \$772,000 in our information-processing capability. Given other needs, I have recommended funding about one-third (\$267,000) now to address the most pressing deficiencies. If additional funds become available this year, we may be able to fund more improvements. Otherwise, we will defer the balance of the improvements for consideration in the 1998 operating plan. I have also recommended funding to meet the new FOIA requirement (\$102,000).

Finally, I have recommended the funding of selected program requests, such as contract support for multi-purpose lighters and cigarette lighters, field investigator training, testing equipment, etc. These recommendations for funding reflect the highest priorities of program managers.

Those items proposed for current funding are described in Attachment B.
Those deferred for possible later funding are described in Attachment C.

Next Steps

The staff will brief you on April 11. The staff and I are available to review these recommendations and related materials with you prior to this meeting. A decision vote on the proposed actions is yet to be scheduled. Upon Commission action, the staff will begin to implement approved changes.

I will keep the Commission informed of staff progress on approved proposals. If additional funds become available by the end of year, I will apprise the Commission of new spending proposals.

Attachment(s)

**1997 MIDYEAR REVIEW
RESOURCE SUMMARY
(dollars in thousands)**

	<u>Operating Plan</u>	<u>Current Estimate</u>	<u>Change</u>
FTEs	487	470	-17
Salaries	\$33,393	\$33,045	+\$348
Contracts	3,718	3,518	+200
Operating Expenses	1,964	1,914	+50
Common Cost	<u>4,164</u>	<u>4,117</u>	<u>+47</u>
Total	<u>\$43,239*</u>	<u>\$42,594</u>	<u>+\$645</u>

* Includes \$739 in reimbursements beyond the \$42,500 appropriation.

Comments:

- FTE ceiling for 1997 and 1998 reduced to 480 by OMB.
- \$348 projected surplus in salaries due to lower than planned FTE use.
- \$200 projected surplus in contracts result from \$35 savings in lower use of outside computer services and \$165 in undistributed NEISS overhead reimbursement.
- \$50 projected surplus in operating expenses due to lower Hotline telephone use (\$30) and new telecommuting field space rent savings (\$20).
- \$47 projected surplus in common costs results from reduced agency telephone charges.

**1997 MIDYEAR REVIEW
PROPOSED NEW FUNDING**

Hazard Identification and Analysis/Hazard Assessment and Reduction:

<i>Consumer Product Safety Review Subscription Effort</i>	\$3
To fund graphics, printing, and postage to secure new and renewal subscriptions.	
<i>Travel</i>	3
To provide additional travel in support of standards development activities. Travel, such as in support of the Water Heater voluntary standard, has exceeded initial projections.	
<i>Multi-purpose lighters</i>	75
Test five different lighter designs currently on market to establish their baseline child-resistance in support of the ANPR analysis.	
<i>Evaluation of Cigarette Lighter Standard</i>	3
Inform local fire agencies of the need to report cigarette lighter incidents to CPSC.	
<i>Poisoning Data</i>	4
Purchase 1996 ingestion data from American Association of Poison Control Centers on three chemicals to be identified.	
<i>Tools and Equipment</i>	5
To equip engineering staff at headquarters to disassemble, examine, measure and photograph various kinds and sizes of incident samples and electrical hazards.	
<i>Worcester Polytechnic Students</i>	5
Seven week internship for three engineering students to perform analyses in support of agency work. Past analyses have included smoke detectors and home power tools.	
<i>Upgrade Burn Room</i>	29
To refurbish burn room at Engineering Sciences Laboratory and extend its usability to testing electrical products.	

Field:

<i>Regional Training Sessions</i>	19
To provide travel for three-day sessions for all three regions to include technical and general training. These funds augment funds allocated in the training budget for this purpose.	
<i>Power File Replacement</i>	12
To replace aging power file equipment that has become important to the success of downsizing in the Central Regional Office (Chicago).	
<i>Systems Furniture</i>	60
To replace inefficient office furniture in Eastern Regional Center (New York) with modern furniture to make better use of recently downsized space. Furniture in other two regional centers was replaced last year.	

Information Technology:

<i>Freedom of Information Act (FOIA) Amendment Implementation</i>	102
To provide the equipment and staff support necessary to meet the requirement that CPSC make FOIA documents available to the public over the Internet. Two summer employees are funded to scan the large number of initial documents into the new system.	
<i>Upgrade Information Processing Capability (Part 1)</i>	267
One-third funding of recommended infrastructure improvements to prepare staff to use integrated databases. These funds will address the most critical needs by beginning the replacement of substandard computers and upgrading our network capabilities so that we can process information faster and in greater quantities.	
<i>Programming Support</i>	25
To provide continuation of present database enhancement work through 1997.	
<i>Hotline Operation</i>	20
To maintain current operation under new contract with higher rates in the second half.	

Consumer Information:

<i>Videotape Copies of "Wired for Safety"</i>	6
To meet demand for video produced from the Home Electrical Wiring project. 3,000 copies requested to match 3,000 copies distributed to date.	
<i>Line Drawings for Recall Press Releases</i>	5
Line drawings of products have proven more informative than photographs in certain situations. Funds requested would provide for about 20 line drawings for the balance of the year.	
<i>Spanish Translations</i>	2
To professionally translate CPSC safety information into Spanish.	

Total \$645

1997 MIDYEAR REVIEW ADDITIONAL NEW FUNDING PROPOSALS

If additional funds are identified, the following items will be considered for funding. The selection will be determined by what funds become available and what procurements are possible. These items are not listed in priority order.

Hazard Identification and Reduction:

<i>Chemical Testing Equipment Replacement</i>	24
Replace aging laboratory equipment used in various chemical analyses, particularly carpet cushion testing.	
<i>Head Injury Study</i>	40
To conduct a study on the costs and consequences of permanently disabling brain injuries that may be understated at present because data is limited. This would update the Injury Cost Model.	
<i>Training in Supervision, Leadership, and Conflict Resolution</i>	6
Generic training for staff in HIR directorates and other organizations.	
<i>Hi-8 Tape Player</i>	1
To allow engineering staff at headquarters to review and edit VCR tapes at headquarters, saving travel time to laboratories.	
<i>Impact of Injuries on Caregivers</i>	40
To analyze the economic impacts of the disruption caused by injuries to children, such as parent's time lost from work, and the economic losses to society. This would update the Injury Cost Model.	
<i>Poisoning Data</i>	63
Purchase full set of 1996 ingestion data from American Association of Poison Control Centers in support of the poison prevention project (would eliminate partial data sets proposed above).	
<i>Executive Development Training</i>	4
<i>Technical/Professional Training for HIR staff</i>	5
<i>Video Imaging System</i>	2
To perform photographic documentation by engineering staff of project, PSA, and age determination work.	
<i>Reference/Technical Documents</i>	2
To purchase reference books and technical documents in the areas of materials, plastics, anthropometry, and human factors.	
<i>Reference Books/Directories</i>	7
To enhance ability of economics staff to identify manufacturers and to gather information about dollar and unit sales of products.	
<i>Color Laser Printer</i>	2
To allow Health Science laboratory to speed up documentation work.	
<i>Product Population Model</i>	165
To update theoretical basis for Economic's Product Population Model, which has not been updated in more than 15 years.	

Consumer Information:

Updated VCR for Audio/Visual Room 8
New video recorder to make copies of Commission materials compatible with broadcast industry standard format. Copies now made using contractors or other non-agency sources.

Field:

In-Depth-Investigation Training 44
Training of field and headquarters staff in the conduct of in-depth-investigations using the course materials developed in 1995 but never given. (Note: \$20 option for video course version available with no travel expense.)
Fire Investigation Training 20
To provide 25 field investigators with training by the International Association of Arson Investigators.

Information Technology:

Upgrade Information Processing Capability (Part 2) 234
Funds the middle third of recommended infrastructure improvements by completing replacement of substandard computers, acquiring new software, and providing training to permit staff to use the equipment most efficiently.
Upgrade Information Processing Capability (Part 3) 271
Completes the recommended improvements by modernizing the network to prepare for widespread staff use of integrated databases.
Hotline Enhancements:
Increase Contract Staff to Perform Emerging Tasks 28
Provide processing publication requests, preparing FOIA requests, FAX on Demand maintenance, Information Center backup, improved customer service, and greater ability for callers to reach "live" operators. 1998 increase is \$55.
Expand "Live" Operator Availability 35
Increase contract staff so that callers can file complaints and speak with representatives until 8 pm, Monday through Friday. 1998 increase is \$75.

Office of the Secretary:

Audio Cassette Duplicator/Telephone Pagers 1
To replace aging duplicator to meet growing public demand. Purchase two pagers.

Agency-wide:

Summer Hire Program 55
Provide for 8 full-time summer hires (Note: Two hires in addition to these are recommended for funding under the Freedom of Information Act Amendment Implementation item)

Total \$1,057